

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In Re:</b>  <b>W.R. GRACE &amp; CO., et al.,</b>  <b>Debtors.</b>	<b>§</b> <b>§</b> <b>§</b> <b>§</b> <b>§</b> <b>§</b>	<b>Chapter 11</b>  <b>Jointly Administered</b> <b>Case No. 01-01139 (JKF)</b>
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**FEE AUDITOR'S FINAL REPORT REGARDING THIRTIETH  
INTERIM FEE APPLICATION OF DUANE MORRIS LLP**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Interim Fee Application of Duane Morris LLP for the Thirtieth Interim Period (the "Application").

**BACKGROUND**

1. Duane Morris LLP ("Duane Morris") was retained as co-counsel to the Official Committee of Unsecured Creditors. In the Application, Duane Morris seeks approval of fees totaling \$77,335.00 and expenses totaling \$3,348.21 for its services from July 1, 2008 through September 30, 2008 (the "Application Period").

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2008, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, Issued January 30, 1996 (the "U.S. Trustee Guidelines"), as well as for consistency with precedent

established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals. We served an initial report on Duane Morris, and received a response from Duane Morris, portions of which response are quoted herein.

### **DISCUSSION**

3. In our initial report, we noted that Duane Morris sought reimbursement of \$422.55 for “Printing & Duplicating” and appeared to be charging \$0.15 per page for in-house photocopies. Effective February 1, 2006, Local Rule 2016-2(e)(iii) was amended so as to allow for a maximum charge of 10 cents per page for in-house copies. In response to our inquiry, Duane Morris confirmed that it had been charging \$0.15 per page and advised that the overcharge totaled \$140.85. We appreciate Duane Morris’ response and recommend a reduction of \$140.85 in expenses.

4. In our initial report, we noted the following transportation charge for which more information was needed:

8/31/2008	Travel Away from Home	\$59.20
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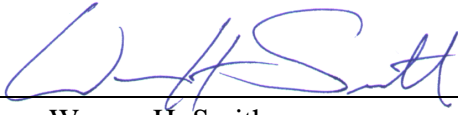
In response to our inquiry, Duane Morris advised: “We will withdraw our request for transportation...” We appreciate Duane Morris’ response and recommend a reduction of \$59.20 in expenses.

### **CONCLUSION**

5. Thus, we recommend approval of \$77,335.00 in fees and \$3,148.16 in expenses (\$3,348.21 minus \$200.05) for Duane Morris’ services for the Application Period.

Respectfully submitted,

**WARREN H. SMITH & ASSOCIATES, P.C.**


By:   
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**FEE AUDITOR**

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 15<sup>th</sup> day of March, 2009.

  
Warren H. Smith

**SERVICE LIST**

Notice Parties

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